

EXHIBIT 1

FILED
02 MAY -8 AM 10:31

CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

BY *Amador* DEPUTY

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA**

**ON THE HOUSE SYNDICATION,
INC. and CAREY BROS, INC., on
behalf of themselves and all others
similarly situated,**

Plaintiffs,

vs.

**FEDERAL EXPRESS
CORPORATION, et al.,**

Defendant.

CIV. NO. 99CV1336-B (JFS)

**ORDER DISMISSING ALL
GOVERNMENT ENTITIES
FROM CLASS**

I. NON-FEDERAL GOVERNMENT ENTITIES

On May 6, 2002, the Court held a hearing to determine, in part, whether the class notices served in this action on state, county, city, and other local government entities was sufficient such that any such entities that did not return opt-out notices should be considered members of the plaintiff class in this action.

The Court finds that the notice served on state and local government entities was defective in that it was not served upon government representatives with sufficient authority to make a binding decision to opt out of this class action. To be adequate, at the very least the notice should have been served upon government representatives with discretionary authority to make an opt-out determination; and the notice and concomitant failure of the entity to return an opt-out card would have been an even more reliable indication of the

1 government's intent to participate in this class action had the notice been served upon
2 counsel for the government agency (e.g., the city attorney's office or the state attorney
3 general).

4 At the hearing, the Court presented Plaintiffs with the opportunity to cure the defects
5 in the notice or to dismiss the state and local government entities from the class. Plaintiffs
6 elected dismissal of the government entities.

7 Accordingly, the Court finds that all state, county, city, and other local government
8 entities should be dismissed from this class action.

9 **II. FEDERAL GOVERNMENT ENTITIES**

10 The Court has received a letter dated April 26, 2002, from J. Christopher Kohn,
11 Director of the Commercial Litigation Branch of the United States Department of Justice
12 ("DOJ"). Mr. Kohn states that the DOJ was unaware of this class action, and that the DOJ's
13 position is the United States should be excluded from participation as a class member. The
14 Court therefore finds it appropriate to dismiss all federal government entities from the
15 plaintiff class.

16 **III. DISPOSITION**

17 The Court hereby ORDERS that all government entities, whether federal, state,
18 county, city, or some other government division, are dismissed from this class action without
19 prejudice as to their respective rights to bring individual actions against Federal Express.

20 IT IS SO ORDERED.

21
22 DATED: 5-7-02


UNITED STATES SENIOR DISTRICT JUDGE

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25 cc: All Parties
Magistrate Judge
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